

C. S. Pilkington
MS



UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

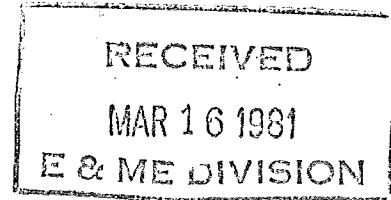
Conservation Division, MS-92

345 Middlefield Road
Menlo Park, CA 94025

BUR OF LAND MANAGEMENT
CARSON CITY DIST OFFICE

MAR 9 3 33 PM '81
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Amax Exploration, Inc.
Attn: Ms. Wendy Merrill
7100 West 44th Ave.
Wheat Ridge, CO 80033



Gentlemen:

Amax Exploration, Inc.'s Unit Plan of Operation for eight (8) geothermal test wells on Federal leases N-18851, N-18854, N-19925, and N-20073, in the McCoy Unit is hereby approved subject to the following special conditions in accordance with Categorical Exclusion Review (CER) #172-81.

Special Conditions of Approval

Unless otherwise directed by the Deputy Conservation Manager for Geothermal in consultation with the Authorized Officer, the lessee/operator will comply with the following conditions:

1. If the operator decides to use any of the following drill sites, he shall notify the DCM for Geothermal no later than 30 days prior to planned commencement of operations in order that a site-specific environmental field inspection can be scheduled. Drill site No.'s: 52-19, 21-9, 63-16, 22-16, 47-16, 26-8, 45-5, and 36-7.
2. The operator shall follow drilling programs I or II as outlined in the Plan of Operation for drill site No.'s: 25-9, 28-18, 78-24, 54-18, 67-9, 58-17, 56-20, and 54-17.
3. Use of drilling program III will be authorized by the DCM for Geothermal only after the operator has staked the boundaries of the proposed drill site and the USGS and BLM have inspected the location and access for environmental impacts.
4. The USGS benchmark located approximately 30' south of the well marker on site 28-18 must not be disturbed.
5. Cutting of trees for improvement of access and location construction for drill sites 58-17 and 56-20 shall be kept to a minimum and cutting slash should be scattered.

6. Upon abandonment of the drill pads, all holes and trenches shall be backfilled; the drill site shall be graded to conform as nearly as possible with the natural contour; and those areas which have been subjected to soil compaction should be scarified.
7. The total width of surface disturbance for all new or improved access roads shall be no more than 6.1 m (20') including water drainage structures.
8. Sumps and reserve pits shall be lined with an impermeable layer to prevent percolation of fluids.
9. To protect livestock, an unattended sump or pit shall be fenced until the sump or pit has been backfilled.
10. If the operator decides to conduct extended flow-testing and elects to discharge produced geothermal fluids to the surface drainage, the operator shall first: 1) provide water quality analyses of producible geothermal fluids, local groundwater, and any surface water which may be affected (the analyses shall include the chemical parameters required by USGS), 2) submit these analyses to the Deputy Conservation Manager for Geothermal; the BLM District Manager, Carson City; the BLM District Manager, Battle Mountain; and 3) obtain concurrence from these agencies that the existing groundwaters and surface waters will not be adversely affected by this action.

The Area of Operations, (30 CFR 270.2 (o)), as shown on the attached map is incorporated herein by reference.

Approval of this Plan of Operation does not constitute authorization to commence operations per se. A request for a Permit to Drill must be approved by the Deputy Conservation Manager for Geothermal for each of the proposed wells.

Sincerely,



William F. Isherwood
Acting Deputy Conservation Manager,
Geothermal

Referred to the District Manager, BLM, Battle Mountain, Nevada this date.

I concur and approve.

Date Approved and Effective

District Manager, Battle Mountain District
Bureau of Land Management

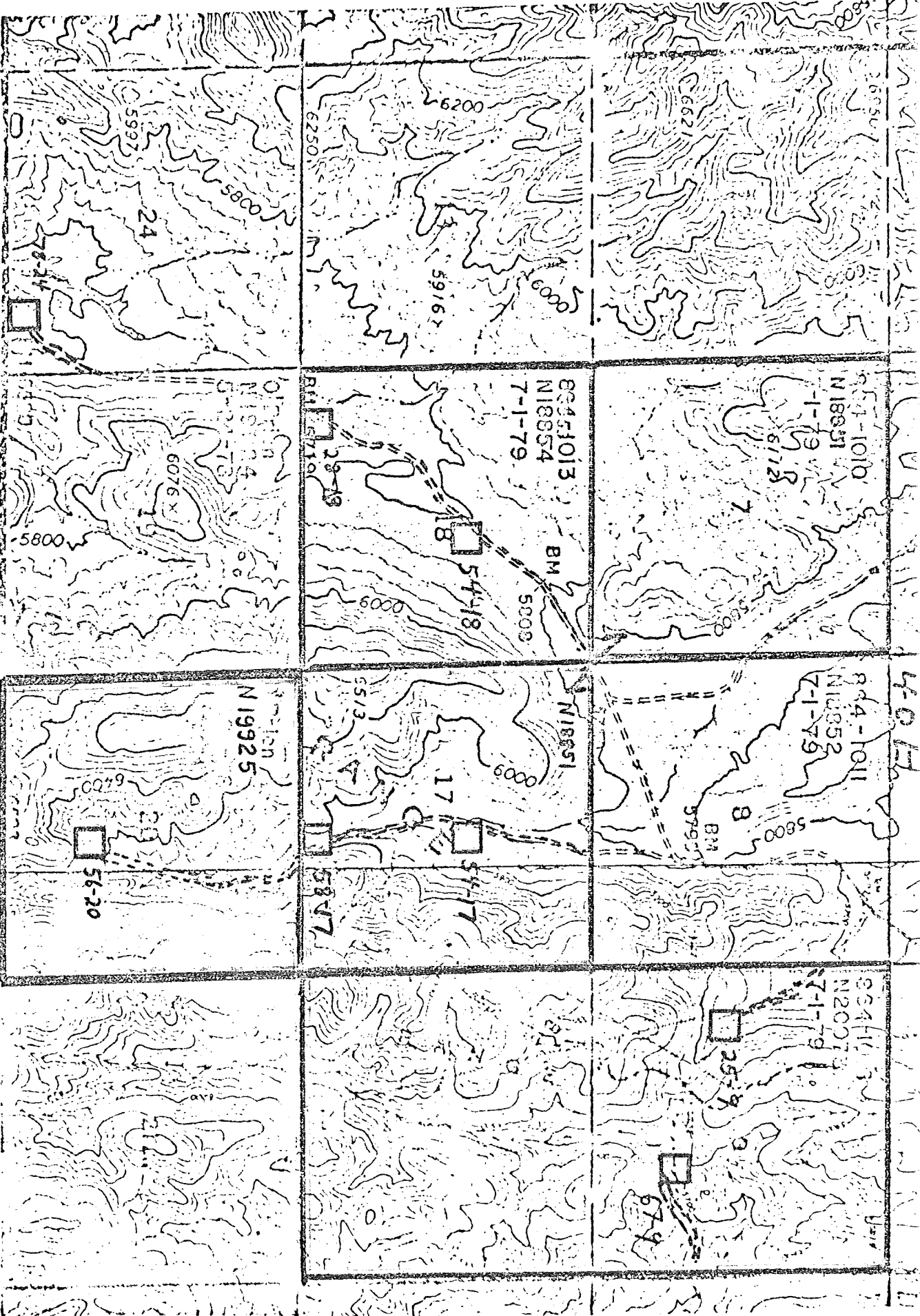
Referred to the District Manager, BLM, Carson City, Nevada this date.

I concur and approve. KW

3-11-81 Tom Oliver
Date Approved and Effective District Manager, Carson City District
Bureau of Land Management

Attachment

cc: District Manager, BLM, Carson City, NV
District Manager, BLM, Battle Mountain, NV
DCM, Geothermal, Menlo Park, CA
District Geothermal Supervisor, Reno, NV



Area of Operations



Federal Leases N-18851, N-18854, N-19925, N-20073

Ammax Exploration Inc.

McCoy Unit, Lander and Churchill Counties, Nevada

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